

# 2008-2009 PERFORMANCE PLAN – Sr. Portfolio Manager, Asset Allocation & Risk Mgmt. (R. Roth)

Page 1 of 2

## Quantitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule
25%	Total Fund Performance	Excess return deviation in basis points relative to: Total Fund Performance Benchmark. {SJ1CA1 – CPERST02}	-40 basis points = 0 0 basis points = 1.0 +20 basis points = 1.5
25%	Subtotal	Quantitative Measures	

## Qualitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule
10%	Risk Analysis	Create a monthly risk reporting package for the Board. Reports to include measures of total risk and tracking error for the separate asset classes and total fund. Complete report by 09/30/2008.	From Schedule
20%	Risk Analysis	Complete the <b>analysis, scope definition and design</b> of the new data management functionality to support conversion from the Barra TotalRisk system to the BarraOne system. The ultimate objective is to shift the majority of the data management effort from CalPERS staff to Barra staff. <b>Specific work product</b> to include: <ul style="list-style-type: none"> <li>- Redirecting data feeds.</li> <li>- New data reconciliation process.</li> <li>- New risk reports structure.</li> <li>- New database structure.</li> </ul> Provide report to SIO by 06/30/2009.	From Schedule
10%	Risk Analysis	Create a report on CalPERS total fund leverage to include Real Estate, AIM and derivatives. Report to SIO by 03/31/2009.	From Schedule
10%	Asset Allocation	Assist AIM unit in enhancing their pacing analysis cash flow model. Report to SIO by 03/31/2009.	From Schedule
10%	Asset Allocation	Complete updated Asset Allocation Strategies for all Affiliate Funds by 06/30/2009.	From Schedule

# 2008-2009 PERFORMANCE PLAN – Sr. Portfolio Manager, Asset Allocation & Risk Mgmt. (R. Roth)

Page 2 of 2

## Qualitative Performance Measures (cont.)

Weight	Factor	Performance Measure	Incentive Schedule
15%	Leadership	<p>Demonstrate a commitment to leadership and ongoing communication within the Investment Office and in the external investment community as follows:</p> <ul style="list-style-type: none"> <li>• <b>Employee Performance and Development</b> – By 6/30/09 ensure 90% completion rate for annual performance appraisals and employee development plans'.</li> <li>• <b>Employee Mentoring and Recognition</b> – By 6/30/09, take proactive steps to coach and mentor employees, provide succession planning, and acknowledge staff (e.g. through activities such as providing training and development opportunities, holding recognition events, and effectuating the transfer of knowledge)</li> <li>• <b>360 Feedback Process</b> <ul style="list-style-type: none"> <li>▪ By 12/1/08 begin the individual 360 feedback survey assessment process.</li> <li>▪ By 2/1/09 identify one to two areas of personal development.</li> <li>▪ By 6/30/09, participate in all personal coaching sessions provided and complete the development opportunity identified.</li> </ul> </li> <li>• <b>Investment Office Strategic Initiatives and Cultural Alignment</b> – Ensure the successful implementation of the strategy and cultural alignment efforts by completing the following: <ul style="list-style-type: none"> <li>▪ By 9/30/08, identify from our cultural profile an area in which we need to improve our culture and implement an improvement in my area by 3/30/09.</li> <li>▪ By 12/31/08, participate in a cultural reinforcement session with the Investment Office.</li> <li>▪ By 6/30/09, participate in the implementation of at least one Investment Office strategic initiative.</li> <li>▪ By 6/30/09, contribute to healthy dynamics and cultural alignment in the Investment Office (e.g. by demonstrating productive participation in meetings, communicating across asset classes, and clearly setting and communicating priorities)</li> </ul> </li> <li>• <b>External Investment Community</b> – By 6/30/09, represent CalPERS in the external investment community through a meaningful and substantive engagement as follows: <ul style="list-style-type: none"> <li>▪ Serve on at least one external board or committee; or</li> <li>▪ Conduct at least one presentation at conference or similar event; or</li> <li>▪ Write an article.</li> </ul> </li> </ul>	From Schedule
75%	Subtotal	Qualitative Measures	
100%	Total	Quantitative and Qualitative Measures	